

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 307 be amended to read as follows:

- 1       Page 1, between the enacting clause and line 1, begin a new  
2 paragraph and insert:  
3       "SECTION 1. IC 3-5-2-26 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. "Fiscal officer"  
5 means the:  
6       (1) city controller **or clerk-treasurer** of a second class city; ~~or~~  
7 ~~the~~  
8       (2) clerk-treasurer of a town; or  
9       (3) **clerk-treasurer of a** third class city.  
10       SECTION 2. IC 3-8-1-28 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. A candidate for the  
12 office of city clerk of a second class city, ~~or city clerk-treasurer of a~~  
13 **second class city, or** city clerk-treasurer of a third class city must have  
14 resided in the city for at least one (1) year before the election.  
15       SECTION 3. IC 3-13-8-5 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A vacancy in the  
17 office of mayor of a second class city not covered by section 1 of this  
18 chapter shall be filled as follows:  
19       (1) If the city has a deputy mayor, the deputy mayor assumes the  
20 office for the remainder of the unexpired term.  
21       (2) If the city does not have a deputy mayor, the city controller **or**  
22 **city clerk-treasurer** assumes the office for the remainder of the  
23 unexpired term.  
24       (3) If the city does not have a deputy mayor and the office of city  
25 controller **or city clerk-treasurer** is vacant, the common council

1 shall fill the vacancy at a regular or special meeting.

2 (b) The city clerk **or president of the common council** shall give  
3 notice of the meeting required under subsection (a)(3), which shall be  
4 held within thirty (30) days after the vacancy occurs. The notice must:

- 5 (1) be in writing;
- 6 (2) state the purpose of the meeting;
- 7 (3) state the date, time, and place of the meeting; and
- 8 (4) be sent by first class mail to each council member at least ten
- 9 (10) days before the meeting.

10 (c) Until the vacancy is filled, the council shall designate one (1) of  
11 its members to serve as acting mayor.

12 SECTION 4. IC 3-13-8-6 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A vacancy in the  
14 office of city clerk of a second class city **or city clerk-treasurer of a**  
15 **second class city** not covered by section 1 of this chapter shall be filled  
16 by the mayor or acting mayor, subject to the approval of the common  
17 council.

18 (b) The common council shall vote on the question of approving the  
19 mayor or acting mayor's appointment at a regular or special meeting.  
20 The president of the common council shall give notice of the meeting,  
21 which shall be held within thirty (30) days after the appointment is  
22 made. The notice must:

- 23 (1) be in writing;
- 24 (2) state the purpose of the meeting;
- 25 (3) state the date, time, and place of the meeting; and
- 26 (4) be sent by first class mail to each council member at least ten
- 27 (10) days before the meeting.

28 SECTION 5. IC 3-13-8-7 IS AMENDED TO READ AS  
29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A vacancy in the  
30 common council of a second class city not covered by section 1 of this  
31 chapter shall be filled by the remaining members of the council at a  
32 regular or special meeting. The city clerk **or city clerk-treasurer** shall  
33 give notice of the meeting, which shall be held within thirty (30) days  
34 after the vacancy occurs. The notice must:

- 35 (1) be in writing;
- 36 (2) state the purpose of the meeting;
- 37 (3) state the date, time, and place of the meeting; and
- 38 (4) be sent by first class mail to each council member at least ten
- 39 (10) days before the meeting.

40 SECTION 6. IC 3-13-11-14 IS AMENDED TO READ AS  
41 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. In accordance with  
42 section 12 of this chapter, if the position of deputy mayor is not  
43 established by ordinance in a first class or second class city, the city  
44 controller **or city clerk-treasurer** assumes the duties of mayor until the  
45 office is filled under this chapter.

46 SECTION 7. IC 5-1-4-4 IS AMENDED TO READ AS FOLLOWS  
47 [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The legislative body of any

1 county, second or third class city, or town in which is located one (1)  
 2 or more participating hospitals, upon request in writing by the board of  
 3 trustees or other governing board of any such participating hospital,  
 4 may adopt a resolution for the creation of an authority under this  
 5 chapter.

6 (b) Upon the adoption of the resolution, there is created an authority  
 7 which shall be a body corporate and politic for the purpose of  
 8 financing, acquiring, constructing, equipping, and leasing a project or  
 9 projects to participating hospitals located in the county, city, or town or  
 10 refunding outstanding indebtedness of participating hospitals located in  
 11 the county, city, or town as authorized by this chapter, or both.

12 (c) If the authority is created by a resolution of the legislative body  
 13 of a county, it shall be known as the "Hospital Authority of  
 14 \_\_\_\_\_ County" (include the name of the county).

15 (d) If the authority is created by resolution of the legislative body of  
 16 a second or third class city or town, it shall be known as the "Hospital  
 17 Authority of \_\_\_\_\_" (include the name of the city or town).

18 (e) The county auditor, the city clerk, **the city clerk-treasurer**, or  
 19 the town clerk-treasurer, as the case may be, shall file a certified copy  
 20 of the resolution with the executive of the county, city, or town, as the  
 21 case may be, in which the authority is created.

22 SECTION 8. IC 5-11-10-1 IS AMENDED TO READ AS  
 23 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section  
 24 applies to the state and its political subdivisions. However, this section  
 25 does not apply to the following:

- 26 (1) The state universities.
- 27 (2) Ivy Tech State College.
- 28 (3) A municipality (as defined in IC 36-1-2-11).
- 29 (4) A county.
- 30 (5) An airport authority operating in a consolidated city.
- 31 (6) A capital improvements board of managers operating in a  
 32 consolidated city.
- 33 (7) A board of directors of a public transportation corporation  
 34 operating in a consolidated city.
- 35 (8) A municipal corporation organized under IC 16-22-8-6.
- 36 (9) A public library.
- 37 (10) A library services authority.
- 38 (11) A hospital organized under IC 16-22 or a hospital organized  
 39 under IC 16-23.
- 40 (12) A school corporation (as defined in IC 36-1-2-17).
- 41 (13) A regional water or sewer district organized under IC 13-26  
 42 or under IC 13-3-2 (before its repeal).
- 43 (14) A municipally owned utility (as defined in IC 8-1-2-1).
- 44 (15) A board of an airport authority under IC 8-22-3.
- 45 (16) A conservancy district.
- 46 (17) A board of aviation commissioners under IC 8-22-2.
- 47 (18) A public transportation corporation under IC 36-9-4.

(19) A commuter transportation district under IC 8-5-15.

(20) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).

(21) A county building authority under IC 36-9-13.

(22) A soil and water conservation district established under IC 14-32.

**(23) The northwestern Indiana regional planning commission established by IC 36-7-7.6-3.**

(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law.

(c) The certificate provided for in subsection (b) is not required for:

(1) claims rendered by a public utility for electric, gas, steam, water, or telephone services, the charges for which are regulated by a governmental body;

(2) a warrant issued by the auditor of state under IC 4-13-2-7(b);

(3) a check issued by a special disbursing officer under IC 4-13-2-20(g); or

(4) a payment of fees under IC 36-7-11.2-49(b) or IC 36-7-11.3-43(b).

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:

(1) processed in accordance with this section; and

(2) for which funds are appropriated and available.

(e) The certificate provided for in subsection (b) must be in the following form:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

SECTION 9. IC 5-11-10-1.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.6. (a) As used in this section, "governmental entity" refers to any of the following:

(1) A municipality (as defined in IC 36-1-2-11).

(2) A school corporation (as defined in IC 36-1-2-17), including a school extracurricular account.

(3) A county.

(4) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).

(5) A municipally owned utility that is subject to IC 8-1.5-3 or IC 8-1.5-4.

(6) A board of an airport authority under IC 8-22-3.

(7) A board of aviation commissioners under IC 8-22-2.

(8) A conservancy district.

(9) A public transportation corporation under IC 36-9-4.

(10) A commuter transportation district under IC 8-5-15.

(11) The state.

(12) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).

(13) A levee authority established under IC 14-27-6.

(14) A county building authority under IC 36-9-13.

(15) A soil and water conservation district established under IC 14-32.

**(16) The northwestern Indiana regional planning commission established by IC 36-7-7.6-3.**

(b) As used in this section, "claim" means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

(1) there is a fully itemized invoice or bill for the claim;

(2) the invoice or bill is approved by the officer or person receiving the goods and services;

(3) the invoice or bill is filed with the governmental entity's fiscal officer;

(4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and

(5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim.

This subsection does not prohibit a school corporation, with prior approval of the board having jurisdiction over allowance of payment of the claim, from making payment in advance of receipt of services as allowed by guidelines developed under IC 20-10.1-25-3. **This subsection does not prohibit a municipality from making meal expense advances to a municipal employee who will be traveling on official municipal business if the municipal fiscal body has adopted an ordinance allowing the advance payment, specifying the maximum amount that may be paid in advance, specifying the required invoices and other documentation that must be submitted by the municipal employee, and providing for reimbursement from the wages of the municipal employee if the municipal employee does not submit the required invoices and documentation.**

(d) The fiscal officer of a governmental entity shall issue checks or warrants for claims by the governmental entity that meet all of the requirements of this section. The fiscal officer does not incur personal liability for disbursements:

(1) processed in accordance with this section; and

(2) for which funds are appropriated and available.

(e) The certification provided for in subsection (c)(4) must be on a form prescribed by the state board of accounts.

SECTION 10. IC 5-11-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this

- 1 section, "official" includes the following:
- 2 (1) An elected official who is entitled to attend a conference under
- 3 this section.
- 4 (2) An individual elected to an office who is entitled to attend a
- 5 conference under this section.
- 6 (3) A deputy or an assistant to an elected official who is entitled
- 7 to attend a conference under this section.
- 8 (b) The state board of accounts shall annually call a conference of
- 9 each of the following:
- 10 (1) County auditors and auditors elect.
- 11 (2) County treasurers and treasurers elect.
- 12 (3) Circuit court clerks and circuit court clerks elect.
- 13 (c) Each of the conferences called under subsection (b):
- 14 (1) must be held at a time and place fixed by the state examiner;
- 15 (2) may be held statewide or by district; and
- 16 (3) may not continue for longer than three (3) days in any one (1)
- 17 year.
- 18 (d) The following training must be provided at each conference
- 19 called under subsection (b):
- 20 (1) The proper use of forms prescribed by the state board of
- 21 accounts.
- 22 (2) The keeping of the records of the respective offices.
- 23 (3) At the conference for county treasurers and treasurers elect,
- 24 investment training by the following:
- 25 (A) The treasurer of state.
- 26 (B) The board for depositories.
- 27 (C) Any other person the state examiner considers to be
- 28 competent in providing investment training.
- 29 (4) Any other training that, in the judgment of the state examiner,
- 30 will result in the better conduct of the public business.
- 31 (e) The state examiner may hold other conferences for:
- 32 (1) the officials described in subsection (b); or
- 33 (2) other county, city, or township officers;
- 34 whenever in the judgment of the state examiner conferences are
- 35 necessary.
- 36 (f) Whenever a conference is called by the state board of accounts
- 37 under this section, an elected official, at the direction of the state
- 38 examiner, may require the attendance of:
- 39 (1) each of the elected official's appointed and acting chief
- 40 deputies or chief assistants; and
- 41 (2) if the number of deputies or assistants employed:
- 42 (A) does not exceed three (3), one (1) of the elected official's
- 43 appointed and acting deputies or assistants; or
- 44 (B) exceeds three (3), two (2) of the elected official's duly
- 45 appointed and acting deputies or assistants.
- 46 (g) Each official **representing the unit and** attending any
- 47 conference under this section shall be allowed **the following:**

**(1) A sum for mileage at a rate determined by the fiscal body of the unit the official represents** for each mile necessarily traveled in going to and returning from the conference by the most expeditious route. ~~a sum for mileage at a rate determined by the fiscal body of the unit the official represents. Each official shall also be allowed, while attending a conference called under this section; Regardless of the duration of the conference, only one~~ **(1) mileage reimbursement shall be allowed to the official furnishing the conveyance although the official transports more than one (1) person.**

**(2)** An allowance for lodging for each night preceding conference attendance in an amount equal to the single room rate. However, lodging expense, in the case of a one (1) day conference, shall only be allowed for persons who reside fifty (50) miles or farther from the conference location. ~~Each official shall be reimbursed;~~

**(3) Reimbursement of an official** in an amount determined by the fiscal body of the unit the official represents, for meals purchased while attending a conference called under this section. ~~Regardless of the duration of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance although the official transports more than one (1) person.~~

(h) The state board of accounts shall certify the number of days of attendance and the mileage for each conference to each official attending any conference under this section.

(i) All payments of mileage and lodging shall be made by the proper disbursing officer in the manner provided by law on a duly verified claim or voucher to which shall be attached the certificate of the state board of accounts showing the number of days attended and the number of miles traveled. All payments shall be made from the general fund from any money not otherwise appropriated and without any previous appropriation being made therefor.

**(j) A claim for reimbursement under this section may not be denied by the body responsible for the approval of claims if the claim complies with IC 5-11-10-1.6 and this section.**

SECTION 11. IC 6-1.1-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The fiscal body of a consolidated city and county, not later than the last meeting of the fiscal body in September.

(2) The fiscal body of a ~~second class city~~, **municipality**, not later than September 30.

(3) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty

thousand (120,000), not later than:

(A) the time required in section 5.6(b) of this chapter; or

(B) September 20 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(4) The proper officers of all other political subdivisions, not later than September 20.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year."

Page 3, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 16. IC 7.1-3-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. Ordinance Sent to



~~Commission.~~ The city clerk, **city clerk-treasurer**, or town ~~clerk~~  
**clerk-treasurer** of a city or town in which an ordinance proscribed by  
~~IC 1971, 7.1-3-9-6, IC 7.1-3-9-6~~ has been enacted, shall, immediately  
upon the enactment, certify a copy of the ordinance and mail it by  
registered mail to the commission. The commission, out of its expenses,  
shall pay the clerk one dollar ~~(\$1.00); (\$1)~~ for ~~his~~ **the clerk's** services  
in the matter.

SECTION 17. IC 8-1.5-1-6 IS AMENDED TO READ AS  
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. "Fiscal officer"  
means:

- (1) controller **or clerk-treasurer**, for a second class city;
- (2) clerk-treasurer, for a third class city; or
- (3) clerk-treasurer, for a town."

Page 5, between lines 9 and 10, begin a new paragraph and insert:  
"SECTION 18. IC 8-22-3-30 IS AMENDED TO READ AS  
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. (a) All expenses  
incurred by the board that must be paid prior to the collection of taxes  
levied under this chapter shall be met and paid in the following manner.  
The board shall from time to time certify the items of expense to the  
**city** controller, ~~of the city, city clerk-treasurer, town~~ clerk-treasurer,  
~~of the town, or county~~ auditor ~~of the county~~ in which the district is  
located, directing ~~him~~ **the city controller, city clerk-treasurer, town**  
**clerk-treasurer, or county auditor** to pay the amounts. ~~and~~ The fiscal  
officer shall draw ~~his~~ **a** warrant or warrants upon the treasurer of the  
city, town, or county, as applicable, which warrant or warrants shall be  
paid out of the general funds of the city, town, or county not already  
appropriated, without special appropriations being made by the fiscal  
body or approval by any other body.

(b) In case there are no unappropriated general funds of the city,  
town, or county, the fiscal officer shall recommend to the fiscal body  
the temporary transfer, from other funds of the city, town, or county, of  
a sufficient amount to meet the items of expense or the making of a  
temporary loan for the purpose. The fiscal body affected shall  
immediately make the transfer of funds or authorize the temporary  
loans in the same manner that other transfers and temporary loans are  
made by the city, town, or county. The total amount to be advanced  
may not exceed fifty thousand dollars (\$50,000) and the fund or funds  
of the city, town, county, or other entity from which the advancement  
is made shall be fully reimbursed and repaid by the authority out of the  
first proceeds of the special taxes levied under this chapter. No part of  
the funds advanced may be used in the acquisition of real property.

SECTION 19. IC 8-22-3.5-9 IS AMENDED TO READ AS  
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) As used in this  
section, "base assessed value" means:

- (1) the net assessed value of all the tangible property as finally  
determined for the assessment date immediately preceding the  
effective date of the allocation provision of the commission's

1 resolution adopted under section 5 of this chapter,  
 2 **notwithstanding the date of the final action taken under**  
 3 **section 6 of this chapter;** plus

4 (2) to the extent it is not included in subdivision (1), the net  
 5 assessed value of property that is assessed as residential property  
 6 under the rules of the department of local government finance, as  
 7 finally determined for any assessment date after the effective date  
 8 of the allocation provision.

9 However, subdivision (2) applies only to an airport development zone  
 10 established after June 30, 1997, and the portion of an airport  
 11 development zone established before June 30, 1997, that is added to an  
 12 existing airport development zone.

13 (b) Except in a county described in section 1(5) of this chapter, a  
 14 resolution adopted under section 5 of this chapter and confirmed under  
 15 section 6 of this chapter must include a provision with respect to the  
 16 allocation and distribution of property taxes for the purposes and in the  
 17 manner provided in this section.

18 (c) The allocation provision must:

19 (1) apply to the entire airport development zone; and

20 (2) require that any property tax on taxable tangible property  
 21 subsequently levied by or for the benefit of any public body  
 22 entitled to a distribution of property taxes in the airport  
 23 development zone be allocated and distributed as provided in  
 24 subsections (d) and (e).

25 (d) Except in a county described in section 1(5) of this chapter, and  
 26 as otherwise provided in this section, the proceeds of the taxes  
 27 attributable to the lesser of:

28 (1) the assessed value of the tangible property for the assessment  
 29 date with respect to which the allocation and distribution is made;  
 30 or

31 (2) the base assessed value;

32 shall be allocated and, when collected, paid into the funds of the  
 33 respective taxing units.

34 (e) Except in a county described in section 1(5) of this chapter, all  
 35 of the property tax proceeds in excess of those described in subsection  
 36 (d) shall be allocated to the eligible entity for the airport development  
 37 zone and, when collected, paid into special funds as follows:

38 (1) The commission may determine that a portion of tax proceeds  
 39 shall be allocated to a training grant fund to be expended by the  
 40 commission without appropriation solely for the purpose of  
 41 reimbursing training expenses incurred by public or private  
 42 entities in the training of employees for the qualified airport  
 43 development project.

44 ~~(2) Except as provided in subsection (f), all remaining~~ **The**  
 45 **commission may determine that a portion of** tax proceeds shall  
 46 be allocated to a debt service fund and dedicated to the payment  
 47 of principal and interest on revenue bonds of the airport authority

for a qualified airport development project or to the payment of leases for a qualified airport development project.

**(3) Except as provided in subsection (f), all remaining tax proceeds after allocations are made under subdivisions (1) and (2) shall be allocated to a project fund and dedicated to the reimbursement of expenditures made by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.**

(f) Except in a county described in section 1(5) of this chapter, if the tax proceeds allocated to the ~~debt service project~~ fund in subsection (e)(3) exceed the amount necessary to

~~(1) pay principal and interest on airport authority revenue bonds;~~

~~(2) pay lease rentals on leases of a qualified airport development project; or~~

~~(3) create, maintain, or restore a reserve for airport authority revenue bonds or for lease rentals or leases of a qualified airport development project;~~

**satisfy amounts required under subsection (e), the excess in the project fund** over that amount shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(g) Except in a county described in section 1(5) of this chapter, when money in the debt service fund **and in the project fund** is sufficient to pay all outstanding principal and interest (to the earliest date on which the obligations can be redeemed) on revenue bonds issued by the airport authority for the financing of qualified airport development projects, ~~and~~ all lease rentals payable on leases of qualified airport development projects, **and all costs and expenditures associated with all qualified airport development projects**, money in the debt service fund **and in the project fund** in excess of ~~that amount~~ **those amounts** shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(h) Except in a county described in section 1(5) of this chapter, property tax proceeds allocable to the debt service fund under subsection (e)(2) must, subject to subsection (g), be irrevocably pledged by the eligible entity for the purpose set forth in subsection (e)(2).

(i) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable tangible property situated upon or in, or added to, the airport development zone effective on the next assessment date after the petition.

(j) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, the assessed value of all taxable tangible property in the airport development zone, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the tangible property as valued without

1 regard to this section; or

2 (2) the base assessed value.

3 SECTION 20. IC 9-21-5-6 IS AMENDED TO READ AS  
 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Except as  
 5 provided in subsection (e), whenever a local authority in the authority's  
 6 jurisdiction determines ~~on the basis of an engineering and traffic~~  
 7 ~~investigation~~ that the maximum speed permitted under this chapter is  
 8 greater or less than reasonable and safe under the conditions found to  
 9 exist on a highway or part of a highway, the local authority may  
 10 determine and declare a reasonable and safe maximum limit on the  
 11 highway. The maximum limit declared under this section may do any  
 12 of the following:

13 (1) Decrease the limit within urban districts, but not to less than  
 14 twenty (20) miles per hour.

15 (2) Increase the limit within an urban district, but not to more than  
 16 fifty-five (55) miles per hour during daytime and fifty (50) miles  
 17 per hour during nighttime.

18 (3) Decrease the limit outside an urban district, but not to less than  
 19 thirty (30) miles per hour.

20 (4) Decrease the limit in an alley, but to not less than five (5)  
 21 miles per hour.

22 (5) Increase the limit in an alley, but to not more than thirty (30)  
 23 miles per hour.

24 **The local authority must perform an engineering and traffic**  
 25 **investigation before a determination may be made to change a**  
 26 **speed limit under subdivision (2), (3), (4), or (5) or before the speed**  
 27 **limit within an urban district may be decreased to less than**  
 28 **twenty-five (25) miles per hour under subdivision (1).**

29 (b) A local authority in the authority's jurisdiction shall determine  
 30 by an engineering and traffic investigation the proper maximum speed  
 31 for all local streets and shall declare a reasonable and safe maximum  
 32 speed permitted under this chapter for an urban district. **However, an**  
 33 **engineering and traffic study is not required to be performed for**  
 34 **the local streets in an urban district under this subsection if the**  
 35 **local authority determines that the proper maximum speed in the**  
 36 **urban district is not less than twenty-five (25) miles per hour.**

37 (c) An altered limit established under this section is effective at all  
 38 times or during hours of darkness or at other times as may be  
 39 determined when appropriate signs giving notice of the altered limit are  
 40 erected on the street or highway.

41 (d) Except as provided in this subsection, a local authority may not  
 42 alter a speed limit on a highway or extension of a highway in the state  
 43 highway system. A city or town may establish speed limits on state  
 44 highways upon which a school is located. However, a speed limit  
 45 established under this subsection is valid only if the following  
 46 conditions exist:

47 (1) The limit is not less than twenty (20) miles per hour.

(2) The limit is imposed only in the immediate vicinity of the school.

(3) Children are present.

(4) The speed zone is properly signed.

(5) The Indiana department of transportation has been notified of the limit imposed by certified mail.

(e) A local authority may decrease a limit on a street to not less than fifteen (15) miles per hour if the following conditions exist:

(1) The street is located within a park or playground established under IC 36-10.

(2) The:

(A) board established under IC 36-10-3;

(B) board established under IC 36-10-4; or

(C) park authority established under IC 36-10-5; requests the local authority to decrease the limit.

(3) The speed zone is properly signed.

SECTION 21. IC 9-22-1-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) This section applies to sales of abandoned vehicles or parts by local units.

(b) The proceeds from the sale of abandoned vehicles or parts, including:

(1) charges for bills of sale; and

(2) money received from persons who own or hold liens on vehicles for the cost of removal or storage of vehicles;

shall be deposited with the county treasurer, ~~or the city controller, or the city clerk-treasurer of a second class city,~~ and placed by the ~~county~~ treasurer, ~~or city controller, or city clerk-treasurer~~ in the unit's abandoned vehicle fund.

(c) The costs incurred by a public agency in administering this chapter shall be paid from the abandoned vehicle fund.

(d) The fiscal body shall annually appropriate sufficient money to the fund to carry out this chapter. Money remaining in the fund at the end of a year remains in the fund and does not revert to the general fund.

(e) Notwithstanding subsection (d), the fiscal body of a consolidated city may transfer money from the fund.

SECTION 22. IC 10-18-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The legislative body of a city may, upon recommendation of the mayor and city controller ~~or city clerk-treasurer,~~ if applicable, by ordinance adopted and approved as provided in section 22 of this chapter, appropriate for the use of the board of public works of the city money of the city for World War memorial and other public purposes.

(b) Any money and the total of all money appropriated under this chapter may not exceed six-tenths of one percent (0.6%) of the adjusted value of the taxable property of the city as determined under IC 36-1-15.

(c) The board of public works, with the approval of the mayor, may use the funds so appropriated for any of the purposes described in section 2 of this chapter.

SECTION 23. IC 10-18-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A city may appropriate money for use of the board of public works of the city for any of the purposes provided in this chapter, either out of the general funds of the city or from the proceeds of a bond issue for those purposes.

(b) A city may sell bonds for the purpose of raising funds to comply with this chapter.

(c) Except as provided in this chapter, the appropriation of money and the sale of bonds by a city is governed by the law relating to the appropriation of money and the sale of bonds by the city for other city purposes.

(d) The legislative body of a city may, by ordinance adopted and approved as provided in section 22 of this chapter, do any of the following:

(1) Authorize the city controller **or city clerk-treasurer**, if applicable, and the mayor, in the name of the city, to make permanent loans of money for any of the purposes of this chapter of any amount not more than six-tenths of one percent (0.6%) of the adjusted value of taxable property of the city as determined under IC 36-1-15.

(2) Authorize the city controller **or city clerk-treasurer**, if applicable, and mayor of the city to issue bonds for the purpose of funding or refunding loans made by the city under this chapter. Except as provided in this chapter, any loans must be made and governed by the law concerning permanent loans by cities. Any bonds must satisfy all of the following:

(A) The bonds may be issued in any denomination of not more than one thousand dollars (\$1,000) each and in not less than twenty (20) or more than fifty (50) series. Each series must be for the amount as provided by the ordinance.

(B) The bonds must be payable one (1) series each year, beginning on July 1 of the fifth year after the issue of the bonds.

(C) The bonds must be negotiable as inland bills of exchange.

(D) The bonds must bear interest at the rate of not more than six percent (6%) a year, payable semiannually on July 1 and January 1 of each year.

(3) Authorize the city controller **or the city clerk-treasurer**, if applicable, and mayor, in advertising for the sale of bonds, to ask for competitive bids on the bonds on any series of not less than twenty (20) nor more than fifty (50). The city controller **or the city clerk-treasurer**, if applicable, and mayor may accept the bid that, in their judgment, is the most advantageous bid to the city.

1 (e) Bonds issued under this chapter are exempt from taxation for all  
2 purposes.

3 (f) A series of bonds issued under this chapter may not be for less  
4 than two percent (2%) of the total amount of bonds issued.

5 (g) The proceeds of bonds sold under this chapter by the city,  
6 including any premium on the bonds, must be kept as a separate and  
7 specific fund, to be known as the World War memorial fund. Money in  
8 the fund may be used only for any of the purposes described in section  
9 2 of this chapter.

10 (h) The city legislative body may, by ordinance, transfer to the  
11 World War memorial bond fund any surplus finally remaining in the  
12 World War memorial fund, after all the demands on the city for money  
13 in the World War memorial fund have been paid and discharged.

14 (i) A suit to question the validity of any bond issued under this  
15 chapter may not be instituted after the date set for the sale of the bonds.  
16 All bonds, beginning on the date set for the sale of the bonds, are  
17 incontestable for any cause.

18 SECTION 24. IC 10-18-4-18 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The legislative  
20 body of a city may, upon the recommendation of the mayor and city  
21 controller **or city clerk-treasurer**, if applicable, of the city, instead of  
22 selling bonds as provided in section 5 of this chapter, sell bonds:

- 23 (1) with a maturity of not more than ten (10) years;
- 24 (2) for any of the purposes authorized by this chapter;
- 25 (3) at a rate of interest not more than six percent (6%) a year,  
26 payable semiannually; and
- 27 (4) payable at their maturity, but not later than ten (10) years after  
28 the date of the issuance of the bonds.

29 If the bonds are issued for a period longer than five (5) years, at least  
30 two percent (2%) of the total issue of the bonds must mature each year  
31 after the fifth year, and the balance must mature and be paid or  
32 refunded not later than ten (10) years after the date of issuance.

33 (b) Bonds issued under this section, the taxes to pay the bonds as  
34 they mature, and interest accruing on the bonds must be levied in  
35 accordance with sections 5 and 6 of this chapter.

36 (c) The city's legislative body may refund bonds sold under this  
37 section with other bond issues in accordance with section 5 and other  
38 provisions of this chapter relating to the sale of bonds. The city's  
39 legislative body may name the date when the first series of refunding  
40 bonds is due. However, the due date of the first series due may not be  
41 more than five (5) years from the date of issue.

42 SECTION 25. IC 11-13-1-1 IS AMENDED TO READ AS  
43 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A court or  
44 division of a court authorized to impose probation shall appoint one (1)  
45 or more probation officers, depending on the needs of the court, except  
46 that two (2) or more divisions within a court, two (2) or more courts  
47 within a county, or two (2) or more courts not in the same county may

1 jointly appoint and employ one (1) or more probation officers for the  
2 purpose of meeting the requirements of this section.

3 (b) A person may be appointed as a probation officer after the  
4 effective date established by the judicial conference of Indiana only if  
5 that person meets the minimum employment qualifications adopted by  
6 the conference, except that this requirement does not apply to any  
7 person certified as a qualified probation officer before that effective  
8 date. Any uncertified person appointed as a probation officer after the  
9 effective date who fails to successfully complete the written  
10 examination established under section 8 of this chapter within six (6)  
11 months after the date of the person's appointment is prohibited from  
12 exercising the powers of a probation officer as granted by law.

13 (c) Probation officers shall serve at the pleasure of the appointing  
14 court and are directly responsible to and subject to the orders of the  
15 court. The amount and time of payment of salaries of probation officers  
16 shall be fixed by the county, city, or town fiscal body in accordance  
17 with the salary schedule adopted by the county, city, or town fiscal  
18 body under IC 36-2-16.5. The salary of a probation officer shall be paid  
19 out of the county, city, or town treasury by the county auditor, ~~or~~ city  
20 controller, **or city clerk-treasurer**. Probation officers are entitled to  
21 their actual expenses necessarily incurred in the performance of their  
22 duties. Probation officers shall give a bond if the court so directs in a  
23 sum to be fixed by the court.

24 (d) A court, or two (2) or more courts acting jointly, may designate  
25 a probation officer to direct and supervise the work of the probation  
26 department.

27 SECTION 26. IC 32-21-2-3 IS AMENDED TO READ AS  
28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. For a conveyance,  
29 a mortgage, or an instrument of writing to be recorded, it must be:

30 (1) acknowledged by the grantor; or

31 (2) proved before a:

32 (A) judge;

33 (B) clerk of a court of record;

34 (C) county auditor;

35 (D) county recorder;

36 (E) notary public;

37 (F) mayor of a city in Indiana or any other state;

38 (G) commissioner appointed in a state other than Indiana by  
39 the governor of Indiana;

40 (H) minister, charge d'affaires, or consul of the United States  
41 in any foreign country;

42 (I) clerk of the city county council for a consolidated city, city  
43 clerk **or clerk-treasurer** for a second class city, or  
44 clerk-treasurer for a third class city;

45 (J) clerk-treasurer for a town; or

46 (K) person authorized under IC 2-3-4-1.

47 SECTION 27. IC 32-24-2-1 IS AMENDED TO READ AS



FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "fiscal officer" means:

- (1) the city controller of a consolidated city; ~~or~~
- (2) the city controller or the city clerk-treasurer of a second class city;**
- ~~(2) (3)~~ **(3)** the city clerk-treasurer of a third class city; or
- ~~(3) (4)~~ **(4)** the town clerk-treasurer of a town.

SECTION 28. IC 33-35-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The officers of a city court are a:

- (1) judge;
- (2) clerk; and
- (3) bailiff.

However, in third class cities **and in second class cities that elect a clerk-treasurer**, the judge may act as clerk and perform all duties of the clerk of the court or appoint a clerk of the court. If the judge does not act as clerk of the court or appoint a clerk of the court, the city clerk-treasurer elected under IC 3-10-6 shall perform the duties of the clerk of the city court.

(b) The clerk is an officer of a town court. The judge of a town court may act as clerk and perform all duties of the clerk of the court or appoint a clerk of the court. If the judge does not act as a clerk of the court or appoint a clerk of the court, the town clerk-treasurer elected under IC 3-10-6 or IC 3-10-7 shall perform the duties of the clerk of the town court.

(c) The clerk and bailiff may not receive any fees or compensation other than their salaries.

SECTION 29. IC 33-35-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In ~~a second class cities;~~ **city that does not elect a clerk-treasurer**, the city clerk is the clerk of the city court.

**(b) In a second class city that is not described in subsection (a)** and ~~the city clerk of in~~ a third class city, **the clerk-treasurer** is the clerk of the city court if the judge does not serve as clerk or appoint a clerk under section 1 of this chapter.

~~(b) (c)~~ **(c)** A city clerk ~~or city clerk-treasurer~~ of a second class city, a city clerk-treasurer of a third class city, or an appointed clerk in a third class city who serves as the clerk of the city court shall give bond as prescribed in this chapter.

~~(c) (d)~~ **(d)** The clerk may administer oaths.

~~(d) (e)~~ **(e)** The clerk of a city or town court shall:

- (1) issue all process of the court, affix the seal of the court to the process, and attest to the process;
- (2) keep a complete record and docket of all cases showing:
  - (A) the name of a person who was arrested and brought before the court;
  - (B) the disposition of the case; and

- 1 (C) an account of the:  
 2 (i) fees;  
 3 (ii) fines;  
 4 (iii) penalties;  
 5 (iv) forfeitures;  
 6 (v) judgments;  
 7 (vi) executions;  
 8 (vii) decrees; and  
 9 (viii) orders;  
 10 in as near to the same manner as the records are kept by the  
 11 clerk of the circuit court; and  
 12 (3) collect all:  
 13 (A) fees;  
 14 (B) fines;  
 15 (C) penalties and forfeitures;  
 16 (D) judgments;  
 17 (E) executions; and  
 18 (F) money;  
 19 accruing to the city or town from the enforcement of ordinances.  
 20 ~~(e)~~ (f) At the close of each week, the clerk shall make and deliver to  
 21 the city controller of a second class city, **clerk-treasurer of a second**  
 22 **class city**, clerk-treasurer of a third class city, or clerk-treasurer of a  
 23 town a written report of all cases in which the clerk has received or  
 24 collected any fines or forfeitures due the city or town. The clerk shall  
 25 then pay over the money to the controller or clerk-treasurer and take a  
 26 receipt for the payment.  
 27 ~~(f)~~ (g) At the end of each month, the clerk shall make out and deliver  
 28 to the county treasurer of the county in which the city or town is located  
 29 a written report of all cases in which the clerk has received or collected  
 30 any fines or forfeitures due the state during the month and pay to the  
 31 county treasurer all fines or forfeitures collected, taking a receipt for the  
 32 payment.  
 33 ~~(g)~~ (h) In cities in which the county treasurer rather than the city  
 34 controller receives city money for deposit, the clerk shall report and  
 35 deliver the money to the county treasurer.  
 36 ~~(h)~~ (i) The clerk shall deposit all court costs collected by the clerk  
 37 in accordance with IC 33-37-7-12. The clerk shall distribute the state  
 38 and county share of court costs collected in accordance with  
 39 IC 33-37-7-7 or IC 33-37-7-8.  
 40 SECTION 30. IC 33-35-3-9 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) This section  
 42 applies after June 30, 2005.  
 43 (b) A clerk of a city court in a county having a population of more  
 44 than four hundred thousand (400,000) but less than seven hundred  
 45 thousand (700,000) shall deposit all court costs collected by the clerk  
 46 in accordance with IC 33-37-7-12.  
 47 (c) The fees received by the controller ~~from the clerk or the city~~

1 **clerk-treasurer** shall be paid into the city treasury at the time of the  
2 semiannual settlement for city revenue.

3 ~~(c)~~ **(d)** If the party instituting an action or a proceeding recovers  
4 judgment, the judgment must also include as costs an amount equal to  
5 the small claims costs fee and the small claims service fee prescribed  
6 under IC 33-37-4-5 or IC 33-37-4-6.

7 ~~(d)~~ **(e)** Money paid in advance for costs remaining unexpended at  
8 the time a civil action or proceeding is terminated, whether by reason  
9 of dismissal or otherwise, must be returned to the party or parties  
10 making payment. However, this section does not apply to civil actions  
11 or proceedings instituted by or on behalf of the state or any of the state's  
12 political subdivisions.

13 SECTION 31. IC 36-1-2-4 IS AMENDED TO READ AS  
14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. "Clerk" means:

- 15 (1) clerk of the circuit court, for a county;
- 16 (2) county auditor, for a board of county commissioners or county  
17 council;
- 18 (3) clerk of the city-county council, for a consolidated city;
- 19 (4) city clerk **or city clerk-treasurer** for a second class city;
- 20 (5) clerk-treasurer, for a third class city; or
- 21 (6) clerk-treasurer, for a town.

22 SECTION 32. IC 36-1-2-7 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. "Fiscal officer"  
24 means:

- 25 (1) auditor, for a county;
- 26 (2) controller, for a consolidated city; ~~or~~
- 27 **(3) controller or clerk-treasurer for a second class city;**
- 28 ~~(3)~~ **(4)** clerk-treasurer, for a third class city;
- 29 ~~(4)~~ **(5)** clerk-treasurer, for a town; or
- 30 ~~(5)~~ **(6)** trustee, for a township.

31 SECTION 33. IC 36-2-5-13 IS AMENDED TO READ AS  
32 FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

33 Sec. 13. **(a) Except as provided in subsection (b),** the compensation  
34 of an elected county officer may not be changed in the year for which  
35 it is fixed. The compensation of other county officers, deputies, and  
36 employees or the number of each may be changed at any time on:

- 37 (1) the application of the county fiscal body or the affected officer,  
38 department, commission, or agency; and
- 39 (2) a majority vote of the county fiscal body.

40 **(b) In the year in which a newly elected county officer takes**  
41 **office, the county fiscal body may at any time change the**  
42 **compensation for holding the county office for that year if:**

- 43 **(1) the county officer requests the compensation change or, in**  
44 **the case of the county executive body, a majority of the county**  
45 **executive body requests the change; and**
- 46 **(2) the county fiscal body votes to approve the change."**

47 Page 6, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 38. IC 36-4-1-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. (a) Except as provided in subsection (b), a third class city remains a third class city even though the city attains a population of at least thirty-five thousand (35,000) at a federal decennial census.

(b) The legislative body of a city to which subsection (a) applies may, by ordinance, adopt second class city status.

**(c) After June 30, 2005, a third class city may, in the ordinance adopting second class status, choose to elect a city clerk-treasurer of the second class city. A city that adopts an ordinance to elect a city clerk-treasurer of the second class city under this subsection may not elect or appoint the following:**

**(1) A city clerk.**

**(2) A city controller.**

SECTION 39. IC 36-4-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The legislative body shall hold its first regular meeting ~~in its chamber at 7:30 p.m. on the first Monday~~ in January after its election. In subsequent months, the legislative body shall hold regular meetings at least once a month, unless its rules require more frequent meetings.

(b) A special meeting of the legislative body shall be held when called by the city executive or when called under the rules of the legislative body.

SECTION 40. IC 36-4-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This subsection applies only to second class cities. At its first regular meeting under section 7 of this chapter, and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president and a vice president.

(b) This subsection applies only to third class cities. The city executive shall preside at all meetings of the legislative body, but may vote only in order to break a tie. At its first regular meeting under section 7 of this chapter, and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president pro tempore to preside whenever the executive is absent.

SECTION 41. IC 36-4-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) The legislative body may, by ordinance, make loans of money for not more than ~~five~~ **(5) ten (10)** years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the city, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the city's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made in the same manner as loans made under section 19 of this chapter, except that:

(1) the ordinance authorizing the loans must pledge to their

1 payment a sufficient amount of tax revenues over the ensuing ~~five~~  
 2 ~~(5) ten (10)~~ years to provide for refunding the loans; and

3 (2) the loans must be evidenced by notes of the city in terms  
 4 designating the nature of the consideration, the time and place  
 5 payable, and the revenues out of which they will be payable.

6 Notes issued under this subsection are not bonded indebtedness for  
 7 purposes of IC 6-1.1-18.5.

8 (b) The legislative body may, by ordinance, make loans and issue  
 9 notes for the purpose of refunding those loans in anticipation of  
 10 revenues of the city that are anticipated to be levied and collected  
 11 during the term of the loans. The term of a loan made under this  
 12 subsection may not be more than ~~five (5) ten (10)~~ years. Loans under  
 13 this subsection shall be made in the same manner as loans made under  
 14 section 19 of this chapter, except that:

15 (1) the ordinance authorizing the loans must appropriate and  
 16 pledge to their payment a sufficient amount of the revenues in  
 17 anticipation of which they are issued and out of which they are  
 18 payable; and

19 (2) the loans must be evidenced by time warrants of the city in  
 20 terms designating the nature of the consideration, the time and  
 21 place payable, and the revenues in anticipation of which they are  
 22 issued and out of which they are payable.

23 (c) An action to contest the validity of a loan made under this section  
 24 must be brought within fifteen (15) days from the day on which the  
 25 ordinance is adopted.

26 SECTION 42. IC 36-4-7-3 IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section does  
 28 not apply to compensation paid by a city to members of its police and  
 29 fire departments.

30 (b) Subject to the approval of the city legislative body, the city  
 31 executive shall fix the compensation of each appointive officer, deputy,  
 32 and other employee of the city. The legislative body may reduce but  
 33 may not increase any compensation fixed by the executive.  
 34 Compensation must be fixed under this section ~~before~~

35 ~~(1) September 20 for a third class city; and~~

36 ~~(2) September 30 for a second class city;~~

37 **not later than September 30** of each year for the ensuing budget year.

38 (c) Compensation fixed under this section may not be increased  
 39 during the budget year for which it is fixed, but may be reduced by the  
 40 executive.

41 (d) Notwithstanding subsection (b), the city clerk may, with the  
 42 approval of the legislative body, fix the salaries of deputies and  
 43 employees appointed under IC 36-4-11-4.

44 SECTION 43. IC 36-4-7-11 IS AMENDED TO READ AS  
 45 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. If the city  
 46 legislative body does not pass the ~~ordinances~~ **ordinance** required by  
 47 section 7 of this chapter ~~on or before~~

1           ~~(1) September 20 for a third class city; and~~

2           ~~(2) September 30 for a second class city;~~

3       **before October 1** of each year, the most recent annual appropriations  
4       and annual tax levy are continued for the ensuing budget year.

5       SECTION 44. IC 36-4-9-6 IS AMENDED TO READ AS  
6       FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section  
7       applies only to second class cities.

8       (b) The city executive shall appoint:

9           (1) a city controller, **if the city does not elect a city**  
10          **clerk-treasurer;**

11          (2) a city civil engineer;

12          (3) a corporation counsel;

13          (4) a chief of the fire department;

14          (5) a chief of the police department; and

15          (6) other officers, employees, boards, and commissions required  
16          by statute.

17       (c) The board of public works and safety may be composed of three  
18       (3) members or five (5) members appointed by the executive. A  
19       member may hold other appointive positions in city government during  
20       the member's tenure. IC 36-4-11-2 applies to board member  
21       appointments under this section. The executive shall appoint a clerk for  
22       the board.

23       (d) If the board of public works and board of public safety are  
24       established as separate boards, each board may be composed of three  
25       (3) members or five (5) members who are appointed by the executive.  
26       A member may hold other appointive positions in city government  
27       during the member's tenure. The executive shall appoint a clerk for each  
28       board.

29       SECTION 45. IC 36-4-10-2 IS AMENDED TO READ AS  
30       FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A city clerk shall  
31       be elected under IC 3-10-6 by the voters of each second class city ~~and~~  
32       **if the city does not elect a city clerk-treasurer.** A city clerk-treasurer  
33       shall be elected under IC 3-10-6 by the voters of each:

34           **(1) second class city that establishes the office of city**  
35           **clerk-treasurer under IC 36-4-1-1.1; and**

36           **(2) third class city.**

37       (b) The city clerk or clerk-treasurer is the clerk of each city.

38       (c) The city controller appointed under IC 36-4-9-6 is the fiscal  
39       officer of each second class city ~~and that does not elect a city~~  
40       **clerk-treasurer.** The city clerk-treasurer is the fiscal officer of each:

41           **(1) second class city that establishes the office of**  
42           **clerk-treasurer under IC 36-4-1-1.1; and**

43           **(2) third class city.**

44       (d) The city controller of a second class city is not liable, in an  
45       individual capacity, for any act or omission occurring in connection  
46       with the performance of the city controller's duty as fiscal officer of the  
47       second class city, unless the act or omission constitutes gross

negligence or an intentional disregard of the controller's duty.

(e) The term of office of a city clerk or clerk-treasurer is four (4) years, beginning at noon on January 1 after election and continuing until a successor is elected and qualified.

SECTION 46. IC 36-4-10-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) This section applies to:

(1) third class cities; **and**

(2) **second class cities that elect a city clerk-treasurer.**

(b) The fiscal officer is the head of the city department of finance. The fiscal officer shall do the following:

(1) Receive and care for all city money and pay the money out only on order of the approving body.

(2) Keep accounts showing when and from what sources the fiscal officer has received city money and when and to whom the fiscal officer has paid out city money.

(3) Prescribe payroll and account forms for all city offices.

(4) Prescribe the manner in which creditors, officers, and employees shall be paid.

(5) Manage the finances and accounts of the city and make investments of city money.

(6) Prepare for the legislative body the budget estimates of miscellaneous revenue financial statements and the proposed tax rate.

(7) Issue all licenses authorized by statute and collect the fees fixed by ordinance.

(8) Serve as clerk of the board of public works by attending meetings, preparing agendas, and recording proceedings.

(9) Perform all other duties prescribed by statute.

(c) A fiscal officer is not liable in an individual capacity for an act or omission occurring in connection with the performance of the duties prescribed by subsection (b), unless the act or omission constitutes gross negligence or an intentional disregard of the fiscal officer's duties.

SECTION 47. IC 36-4-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section applies to ~~second class cities~~; **a second class city that has a city controller.**

(b) The fiscal officer is the head of the city department of finance. The fiscal officer shall do the following:

(1) Prescribe the form of reports and accounts to be submitted to the department.

(2) Sign and issue all warrants on the city treasury.

(3) Audit and revise all accounts and trusts in which the city is concerned.

(4) Keep separate accounts for each item of appropriation made for each city department, including a statement showing the

amount drawn on each appropriation, the unpaid contracts charged against it, and the balance remaining.

(5) At the end of each fiscal year, submit under oath to the city legislative body a report of the accounts of the city published in pamphlet form and showing revenues, receipts, expenditures, and the sources of revenues.

(6) Maintain custody of the records of the department and turn them over to the fiscal officer's successor in office.

(7) Perform duties prescribed by statute concerning the negotiation of city bonds, notes, and warrants.

(8) Keep a register of bonds of the city and of transfers of those bonds.

(9) Manage the finances and accounts of the city and make investments of city money, subject to the ordinances of the legislative body.

(10) Issue city licenses on payment of the license fee.

(11) Collect fees as fixed by ordinance.

(12) Pay into the city treasury, once each week, all fees and other city money collected by the department during the preceding week, specifying the source of each item.

(13) Prescribe payroll and account forms for all city offices.

(14) Prescribe the manner in which salaries shall be drawn.

(15) Prescribe the manner in which creditors, officers, and employees shall be paid.

(16) Provide that all salaries are payable monthly, unless the legislative body establishes more frequent payments.

(17) Notify the city executive of the failure of any city officer to collect money due the city or to pay city money into the city treasury.

(18) Draw warrants on the city treasury for miscellaneous city expenditures not made under the direction of a department and not specifically fixed by statute.

SECTION 48. IC 36-4-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section applies to third class cities **and to second class cities that elect a city clerk-treasurer.**

(b) The clerk shall appoint the number of deputies and employees needed for the effective operation of the office, with the approval of the city legislative body. The clerk's deputies and employees serve at the clerk's pleasure.

(c) If a city owns a utility and the clerk is directly responsible for the billing and collection of that utility's rates and charges, the clerk shall appoint those employees who are also responsible for that billing and collection. These employees serve at the clerk's pleasure.

(d) Whenever the city court judge does not serve as clerk of the city court or appoint a clerk to serve as clerk of the city court under IC 33-35-3-1, the clerk shall serve as clerk of the city court.



1 SECTION 49. IC 36-5-2-11 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The legislative  
 3 body may issue bonds for the purpose of procuring money to be used  
 4 in the exercise of the powers of the town and for the payment of town  
 5 debts. However, a town may not issue bonds to procure money to pay  
 6 current expenses.

7 (b) Bonds issued under this section are payable in the amounts and  
 8 at the times determined by the legislative body.

9 (c) Bonds issued under this section are subject to the provisions of  
 10 IC 5-1 and IC 6-1.1-20 relating to the filing of a petition requesting the  
 11 issuance of bonds and giving notice of the petition, the giving of notice  
 12 of a hearing on the appropriation of the proceeds of bonds, the right of  
 13 taxpayers to appear and be heard on the proposed appropriation, the  
 14 approval of the appropriation by the department of local government  
 15 finance, the right of taxpayers to remonstrate against the issuance of  
 16 bonds, and the sale of bonds at public sale for not less than their par  
 17 value.

18 (d) The legislative body may, by ordinance, make loans of money  
 19 for not more than ~~five (5)~~ **ten (10)** years and issue notes for the purpose  
 20 of refunding those loans. The loans may be made only for the purpose  
 21 of procuring money to be used in the exercise of the powers of the  
 22 town, and the total amount of outstanding loans under this subsection  
 23 may not exceed five percent (5%) of the town's total tax levy in the  
 24 current year (excluding amounts levied to pay debt service and lease  
 25 rentals). Loans under this subsection shall be made as follows:

26 (1) The ordinance authorizing the loans must pledge to their  
 27 payment a sufficient amount of tax revenues over the ensuing ~~five~~  
 28 **(5) ten (10)** years to provide for refunding the loans.

29 (2) The loans must be evidenced by notes of the town in terms  
 30 designating the nature of the consideration, the time and place  
 31 payable, and the revenues out of which they will be payable.

32 (3) The interest accruing on the notes to the date of maturity may  
 33 be added to and included in their face value or be made payable  
 34 periodically, as provided in the ordinance.

35 Notes issued under this subsection are not bonded indebtedness for  
 36 purposes of IC 6-1.1-18.5.

37 SECTION 50. IC 36-5-2-12 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The legislative  
 39 body may, by ordinance, make loans and issue notes for the purpose of  
 40 refunding those loans in anticipation of revenues of the town that are  
 41 anticipated to be levied and collected during the term of the loans. The  
 42 term of a loan made under this subsection may not be more than ~~five (5)~~  
 43 **ten (10)** years. Loans under this section shall be made in the same  
 44 manner as loans made under section 11(b) and 11(c) of this chapter,  
 45 except that:

46 (1) the ordinance authorizing the loans must appropriate and  
 47 pledge to the payment of the loans a sufficient amount of the

1 revenues in anticipation of which the loans are issued and out of  
2 which the loans are payable; and

3 (2) the loans must be evidenced by time warrants of the town in  
4 terms designating the nature of the consideration, the time and  
5 place payable, and the revenues in anticipation of which the loans  
6 are issued and out of which the loans are payable.

7 (b) An action to contest the validity of a loan made under this  
8 section must be brought within fifteen (15) days from the day on which  
9 the ordinance is adopted.

10 SECTION 51. IC 36-6-6-10 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) This section  
12 does not apply to the appropriation of money to pay a deputy, an  
13 employee, or a technical adviser that assists a township assessor with  
14 assessment duties or to an elected township assessor.

15 (b) The township legislative body shall fix the:

16 (1) salaries;

17 (2) wages;

18 (3) rates of hourly pay; and

19 (4) remuneration other than statutory allowances;

20 of all officers and employees of the township.

21 (c) Subject to subsection (d), the township legislative body may  
22 reduce the salary of an elected or appointed official. However, **except**  
23 **as provided in subsection (i)**, the official is entitled to a salary that is  
24 not less than the salary fixed for the first year of the term of office that  
25 immediately preceded the current term of office.

26 (d) Except as provided in ~~subsection~~ **subsections (e) and (i)**, the  
27 township legislative body may not alter the salaries of elected or  
28 appointed officers during the fiscal year for which they are fixed, but  
29 it may add or eliminate any other position and change the salary of any  
30 other employee, if the necessary funds and appropriations are available.

31 (e) In a township that does not elect a township assessor under  
32 IC 36-6-5-1, the township legislative body may appropriate available  
33 township funds to supplement the salaries of elected or appointed  
34 officers to compensate them for performing assessing duties. However,  
35 in any calendar year no officer or employee may receive a salary and  
36 additional salary supplements which exceed the salary fixed for that  
37 officer or employee under subsection (b).

38 (f) If a change in the mileage allowance paid to state officers and  
39 employees is established by July 1 of any year, that change shall be  
40 included in the compensation fixed for the township executive and  
41 assessor under this section, to take effect January 1 of the next year.  
42 However, the township legislative body may by ordinance provide for  
43 the change in the sum per mile to take effect before January 1 of the  
44 next year.

45 (g) The township legislative body may not reduce the salary of the  
46 township executive without the consent of the township executive  
47 during the term of office of the township executive as set forth in

1 IC 36-6-4-2.

2 (h) This subsection applies when a township executive dies or  
3 resigns from office. The person filling the vacancy of the township  
4 executive shall receive at least the same salary the previous township  
5 executive received for the remainder of the unexpired term of office of  
6 the township executive (as set forth in IC 36-6-4-2), unless the person  
7 consents to a reduction in salary.

8 **(i) In a year in which there is not an election of members to the**  
9 **township legislative body, the township legislative body may by**  
10 **unanimous vote reduce the salaries of the members of the township**  
11 **legislative body by any amount.**

12 SECTION 52. IC 36-8-3-3 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A majority of the  
14 members of the safety board constitutes a quorum. The board shall  
15 adopt rules concerning the time of holding regular and special meetings  
16 and of giving notice of them. The board shall elect one (1) of its  
17 members chairman, who holds the position as long as prescribed by the  
18 rules of the board. The board shall record all of its proceedings.

19 (b) The members of the safety board may act only as a board. No  
20 member may bind the board or the city except by resolution entered in  
21 the records of the board authorizing ~~him~~ **the member** to act in its  
22 behalf as its authorized agent.

23 (c) The safety board shall appoint:

- 24 (1) the members and other employees of the police department
- 25 other than those in an upper level policymaking position;
- 26 (2) the members and other employees of the fire department other
- 27 than those in an upper level policymaking position;
- 28 (3) a market master; and
- 29 (4) other officials that are necessary for public safety purposes.

30 (d) The annual compensation of all members of the police and fire  
31 departments and other appointees shall be fixed by ordinance of the  
32 legislative body ~~before~~

33 ~~(1) September 20 for a second class city; and~~

34 ~~(2) September 20 for a third class city;~~

35 **not later than September 30** of each year for the ensuing budget year.  
36 The ordinance may grade the members of the departments and regulate  
37 their pay by rank as well as by length of service. If the legislative body  
38 fails to adopt an ordinance fixing the compensation of members of the  
39 police or fire department, the safety board may fix their compensation,  
40 subject to change by ordinance.

41 (e) The safety board, subject to ordinance, may also fix the number  
42 of members of the police and fire departments and the number of  
43 appointees for other purposes and may, subject to law, adopt rules for  
44 the appointment of members of the departments and for their  
45 government.

46 (f) The safety board shall divide the city into police precincts and  
47 fire districts.

(g) The police chief has exclusive control of the police department, and the fire chief has exclusive control of the fire department, subject to the rules and orders of the safety board. In time of emergency, the police chief and the fire chief are, for the time being, subordinate to the city executive and shall obey ~~his~~ **the city executive's** orders and directions, notwithstanding any law or rule to the contrary.

SECTION 53. IC 36-9-36-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The following improvements may be made under this chapter by a county:

(1) Sanitary sewers and sanitary sewer tap-ins.

(2) Sidewalks.

(3) Curbs.

(4) Streets.

(5) Storm sewers.

(6) Lighting.

**(7) Emergency warning sirens.**

~~(7)~~ **(8)** Any other structures necessary or useful for the collection, treatment, purification, and sanitary disposal of the liquid waste, sewage, storm drainage, and other drainage of a municipality.

(b) The following improvements may be made under this chapter by a municipality:

(1) Sidewalks.

(2) Curbs.

(3) Streets.

(4) Alleys.

(5) Paved public places.

(6) Lighting.

(7) A water main extension for a municipality that owns and operates a water utility.

**(8) Emergency warning sirens."**

Renumber all SECTIONS consecutively.

(Reference is to ESB 307 as printed March 25, 2005.)

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Representative Ayres